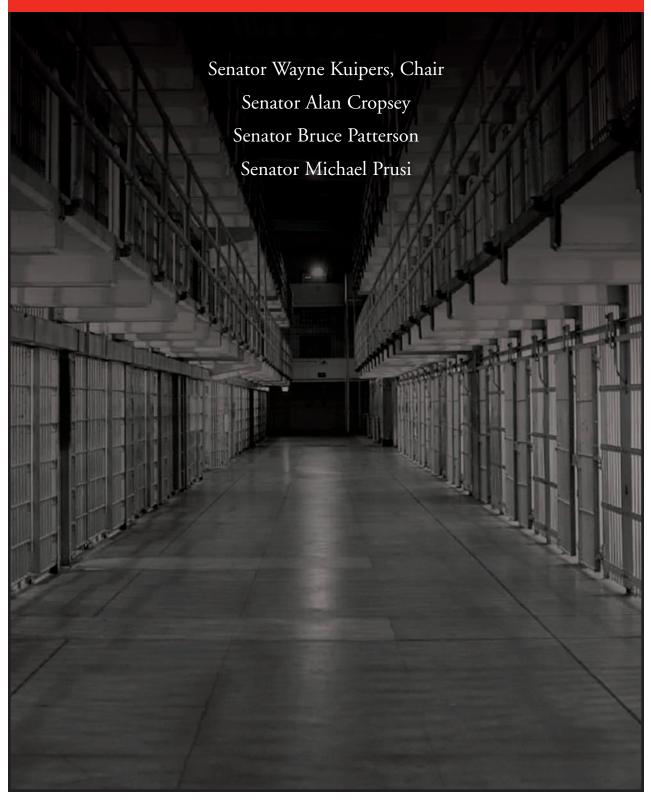


SUBCOMMITTEE ON PRISON REFORM AND PUBLIC SAFETY





For Immediate Release February 22, 2007

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Senate Republicans announce new subcommittee to review state prisons and Corrections Department

Lansing - Senate Majority Leader Mike Bishop and Senate Judiciary Chair Wayne Kuipers today announced a new subcommittee that will be charged with exploring the Michigan Department of Corrections and conducting an in-depth review of the governor's latest proposals impacting public safety, such as her proposal for early release of 5,000 convicted felons and her plan to eliminate 30 troopers from the Michigan State Police force.

Republican Sens. Kuipers, Alan Cropsey and Bruce Patterson and Democrat Sen. Michael Prusi will comprise the subcommittee.

"Protecting public safety is a core responsibility of government-it's one of the chief functions that the citizens of Michigan elected us to perform. It is imperative that we protect public safety," said Bishop, R-Rochester. "Senate Republicans have serious questions and areas for concern related to the governor's plans to release 5,000 convicted felons, close Jackson prison, and eliminate 30 state troopers. We felt it necessary to form this new subcommittee in an effort to find long-term solutions to corrections in the state. Its members will be tasked with taking a closer look at Michigan's overall prison structure and examining whether prisons and the Corrections Department are operating in the most efficient, effective manner."

Bishop said committee members will be looking for answers from the governor and the Corrections officials on the following:

- Will public safety be protected under her plan to release early 5,000 convicted felons?
- How will 450 prison workers in Jackson be absorbed into the remaining prisons system especially if more prisons are closed?
- Will these proposed cost- savings outweigh the risks of early release of criminals?
- Can Corrections officials assure us they won't overspend their budget expenditure again as they did in 2006?

"Senate Republicans will do everything in our power to put first the public's safety and continue to make crime-free streets and neighborhoods a top priority," said Kuipers, R-Holland. "This committee will review and find areas that can be run more efficiently-and we will work to get straight answers from the governor and Corrections on how her plans will impact public safety."



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MICHIGAN SENATE

WAYNE KUIPERS

STATE SENATOR

COMMITTEES:

EDUCATION, CHAIR

JUDICIARY, CHAIR

ADMINISTRATIVE RULES

ENERGY POLICY

GOVERNMENT OPERATIONS

Memo

To: Senate Judiciary Committee Members

From: Chairman Wayne Kuipers

CC: Carol Morey Viventi, Secretary of the Senate

Date: February 27, 2007

Re: Senate Judiciary – Subcommittee on Prison Reform and Public

Safety

As Chairman of the Canata Judician Committee I have established the

As Chairman of the Senate Judiciary Committee, I have established the Subcommittee on Prison Reform and Public Safety at the directive of Senate Majority Leader Mike Bishop. The following members will serve on the subcommittee: Chairman Wayne Kuipers, Sen. Alan Cropsey, Sen. Bruce Patterson and Sen. Mike Prusi.

Sincerely,

Wayne Kuipers State Senator 30th District

SUBCOMMITTEE ON PRISON REFORM AND PUBLIC SAFETY SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

A. PUBLIC SAFETY

1. REJECT GOVERNOR'S PLAN TO RELEASE FELONS

- a. The Subcommittee concludes that any decision to release convicted felons from the MDOC jurisdiction would be reckless and ill-advised.
- b. The Subcommittee finds that the Governor's release plan is fundamentally and fatally flawed as it neglects to address who is going to care for the medically fragile prisoner, if released.
 - i. There is no evidence that convicted felons simply by virtue of their age or infirmity cease to pose a risk of harm.
- c. The Subcommittee recommends that 6,000 prisoners not be prematurely released. There are many alternative sound solutions that would not only reduce costs, but would, most importantly, protect the public safety.

2. REDUCE RECIDIVSM

- a. The Subcommittee recommends that the Governor solve overcrowding issues and budgetary failure by addressing the root of the problem recidivism not by threatening the public's safety by releasing felons.
- b. The Subcommittee's findings show that prison overcrowding is due, in large part, to repeat offenders being re-admitted to prison. Parole failures and probation violators made up 62 percent of the 2006 prison intake population.
- c. The Subcommittee has concluded that the release of convicted felons will exacerbate prison overcrowding since repeat offenders will be sentenced as habitual offenders who carry a higher minimum sentence.
- d. The Subcommittee recommends that programs that are known to work successfully, such as drug treatment courts, prisoner re-entry programs, and diversion programs, need to be improved and expanded.

3. DEVELOP/EXPAND PROGRAMS AS ALTERNATIVES TO INCARCERATION

- a. Michigan Prisoner Re-Entry Initiative (MPRI)
 - i. The Subcommittee has concluded that there is value in assisting parolees with entry back into the community and is willing to support the attainment of MPRI's goal.
 - ii. The Subcommittee recommends that as long as MPRI remains successful, it be expanded with continued funding to further develop the program.

b. Mental Health Treatment Courts

 The Subcommittee recommends further examination of mental health treatment courts as an alternative to traditional incarceration.

c. Drug Treatment Courts

- The Subcommittee recommends continued utilization and expansion of the drug court program as a viable alternative sanction to prison.
- ii. The Subcommittee recommends expanding the use of drug courts to handle technical rule violations by parolees.

4. SUPPORT FROM MENTAL HEALTH/ COMMUNITY HEALTH DEPARTMENT

- a. The Subcommittee recommends that MDOC work with the Michigan Department of Community Health (DCH) to ensure that all prisoners who received mental health and psychiatric services while incarcerated have a successful transition back into the community.
- b. The Subcommittee concludes that the Department of Human Services (DHS) should coordinate with MDOC to ensure that inmates are receiving Medicaid and Medicare services, if they qualify, immediately upon their release.
- c. The Subcommittee recommends that both DHS and DCH representatives meet with prisoners, prior to release, to assist soon-to-be released prisoners with necessary transition services.
- d. The Subcommittee finds that by providing a smooth transition back into society and having support services in place, there is less likelihood for a parolee to return to a life of crime.
- e. The Subcommittee recommends that MDOC partner with DCH to establish guidelines for notifying DCH when an alleged criminal is suspected of having mental health issues to determine the appropriateness of a diversion agreement.

5. EXPLORE NON-PROFIT, FAITH-BASED PROGRAMS

- a. The Subcommittee, based upon its findings and conclusions, recommends that MDOC examine non-profit, faith-based programs as tools to assist parolees with addressing issues contributing to recidivism.
- b. The Subcommittee found that organizations such as Hope Network can provide re-entry programs, job placement services, job site training and mental health and substance abuse services.
- c. The Subcommittee recommends that faith-based programming be incorporated into all post-release plans.

6. INCREASE PAROLE OVERSIGHT/PAROLE BONDS

a. The Subcommittee has concluded that the parole system must be improved to protect society and prevent violent crimes, such as the "Selepak" tragedy.

b. The Subcommittee recommends that guidelines for parole bonds be established.

7. RULE OUT SENTENCING GUIDELINE REFORM

- a. The Subcommittee does not recommend sentencing guideline reform because of its commitment to public safety.
 - i. The Subcommittee members have not been provided with any evidence that persuades them that the sentencing guidelines should be revised to offer more lenient sentences to convicted felons.
- b. The Subcommittee has concluded that budgetary problems and prison overcrowding do not negate the seriousness of an offense.
- c. The Subcommittee recommends reviewing the possibility of modifying certain felony thresholds to more efficiently utilize judicial and correctional resources.

8. ENHANCE OFFENDER TRACKING DEVICES

a. The Subcommittee recommends a further review of diversifying and expanding MDOC's offender tracking/GPS systems in order to better address issues of cost-effectiveness, accuracy, and liability and to seek advanced technology that improves efficiency.

B. RISING COSTS AND HEALTH CARE

1. IMPROVE EFFICIENCY

- a. The Subcommittee has concluded that MDOC can and should be as cost-effective as its neighbors.
- b. The Subcommittee is convinced that MDOC should be able to reduce its per-prisoner cost by at least 20-30 percent.
- The Subcommittee recommends that MDOC address issues of waste, duplication, and mismanagement.
- d. The Subcommittee recommends increasing the number of infirmary beds to decrease expensive hospital stays and increase custody costs.
- e. The Subcommittee recommends that MDOC seek a Michigan-based company to provide prescription drugs on a cost-plus basis.

2. OBTAIN PERFORMANCE AUDIT

a. The Subcommittee recommends that the Auditor General perform an audit for an analysis recommending ways to eliminate waste and duplication and improve overall operational cost-effectiveness. b. The Subcommittee recommends that the audit examine all areas where MDOC can save money including health care, food services, transportation, staffing, salary and benefits, utilities, physical plant, operations, contracts, areas of waste, consolidation and duplication, and privatization of services or facilities.

3. CHALLENGE FEDERAL HEALTH CARE MANDATES

- a. The Subcommittee finds that certain onerous financial obligations have been imposed on MDOC's day-to-day operations upon the compulsion of a federal court order.
- b. The Subcommittee, despite the fact that health care is not a core function of corrections, found and is troubled that the federal courts have required MDOC to provide convicted felons with a level of health care to which law abiding citizens are not entitled including dental, vision, pharmaceutical, and mental health treatment.
- c. The Subcommittee has concluded that every effort should be made to appeal these federal mandates.
- d. The Subcommittee recommends reviewing the possibility of housing all infirm and medically fragile prisoners, currently housed at the Jackson prison, at the former Baldwin facility, which could then be privatized for cost effectiveness.
- e. The Subcommittee recommends that all prisoners should be required to use a percentage of their earnings for prescription co-pays to subsidize health care costs.
- f. The Subcommittee has concluded that health care costs could be reduced by restricting specific canteen purchases by offenders with medically diagnosed chronic illnesses, such as offenders with respiratory illnesses buying cigarettes.

4. PRIVATIZE SERVICES

- a. Mental Health Care.
 - The Subcommittee has concluded that privatization of services is essential, especially in the area of mental health care services.
 - ii. The Subcommittee's findings show that a company providing mental health services can improve the quality of care, reduce costs, and eliminate litigation exposure.
 - iii. The Subcommittee supports legislation that would allow MDOC to contract with third-party vendors for mental health services.
- b. Food and Commissary Services.
 - i. The Subcommittee recommends that the performance audit analyze whether further savings may be realized by privatizing food and commissary services.

- c. Transportation.
- i. The Subcommittee has concluded that privatizing transportation so that MDOC would have standardized routes with a dedicated central staff will save millions of dollars.
- ii. The Subcommittee recommends that the performance audit include an analysis on privatizing transportation.

5. EXPAND TELECONFERENCING AND TELEMEDICINE PROGRAMS

- a. The Subcommittee concluded that the excessive costs of both transportation and health care are attributable to the fact that these are not central functions of the corrections department.
- b. The Subcommittee recommends exploring ways to increase both telemedicine and teleconferencing programs in an effort to save transportation and overtime costs, while simultaneously reducing security risks.
- c. The Subcommittee recommends that MDOC collaborate with both the State Court Administrative Office and DCH in an effort to work together to achieve these goals.

C. ENSURING THE MOST EFFICIENT USE OF TAX DOLLARS

1. ESTABLISH GUIDELINES REGARDING INTER-DEPARTMENT COOPERATION

- a. The Subcommittee has found as unacceptable lack of consolidation of state services.
- b. The Subcommittee concludes that the Governor should immediately issue an Executive Directive establishing guidelines and procedures regarding inter-department cooperation.

2. EXPAND COMMUNITY RESIDENTIAL PROGRAMS (CRPs) FOR PAROLEES

- a. The Subcommittee has concluded that MDOC could resolve many of the overcrowding issues by safely freeing up prison beds.
- b. The Subcommittee recommends evaluating the possibility of reinstating CRPs, in a limited capacity.

3. EXPAND MICHIGAN STATE INDUSTRIES (MSI)

a. The Subcommittee recommends that MSI evaluate expanding into other markets that produce products that do not compete with Michigan's industries.

RECOMMENDATIONS THAT REQUIRE FURTHER EXPLORATION

- A. PARTNERSHIPS WITH LOCAL MEDICAL SCHOOLS
- **B. REGIONAL JAILS**
- C. NURSING HOMES FOR MEDICALLY FRAIL FELONS

INTRODUCTION

On Thursday, February 22, 2007, in response to the Governor's alarming announcement of her unilateral decision to close the Southern Michigan Correctional Facility in Jackson (Jackson Prison), the Senate Republicans formed The Subcommittee on Prison Reform and Public Safety (Subcommittee). In an effort to find long-term solutions, the Subcommittee was charged with conducting an overall assessment and review of the Michigan Department of Corrections (MDOC) to examine the most effective ways to:

- Protect public safety.
- Address rising costs.
- Ensure that Michigan taxpayers are getting the most efficient use of their tax dollars.
 As part of its fact finding, the Subcommittee held two public hearings.

JACKSON PUBLIC HEARING

The Subcommittee's first step in implementing its charge was to conduct a public hearing in Jackson, Michigan, to gather information and facts from the community. Numerous citizens, including victims of horrific crimes; MDOC employees; business owners; family members whose loved ones had been brutally terrorized, raped, and murdered; victim's rights advocates; and local law enforcement all testified about their grave concerns regarding the Governor's decision to close Jackson Prison.

The Subcommittee first heard from Henry Zavislak, Prosecuting Attorney of Jackson County, who spoke of the failed parole system, referencing several violent crimes (carjacking, murder, and rape) that had been committed by convicted felons out on parole. Mr. Zavislak specified that the Governor's decision has been framed strictly in budget terms with no consideration for victims or the potential negative consequences. Many victims of crime testified. They expressed their horror over the thought of releasing convicted felons, half of whom will re-offend, based on MDOC's own statistics. The victims and their family members recounted gruesome details of senseless and heinous murders, beatings, rapes, and torture.

MDOC workers — Naomi Harris and Antonio Melvin — two of the many correctional facility workers who appeared, described with great detail the hardship on their families if over 450 employees were forced to relocate or, worse yet, lose their jobs.

Steve Czarnecki, representing the Enterprise Group of Jackson, testified that from December 2005 to December 2006, the city of Jackson lost 1,500 jobs and now with the proposed closing of Jackson Prison would lose another 450 plus jobs. Once these correctional workers are relocated, Jackson's economy will suffer even more.

The Governor's plan earned support from only one audience member, a 58-year-old felon convicted of criminal sexual conduct with a victim under the age of 13, tellingly, the only person to testify in support of the Jackson Prison closure.

LANSING PUBLIC HEARING

On March 27, 2007, the Subcommittee held a hearing in Lansing on proposals to reduce corrections spending. Various vendors including Canteen Correctional Services (Canteen), MHM Services (MHM), and MDI Healthcare (MDI) testified, concluding that millions of dollars can be saved by privatization of services.

First to testify was Craig Tiggleman, CFO of Canteen. Mr. Tiggleman testified that Canteen, a Michigan-owned business employing over 700 Michigan associates, provides food and commissary services for 367 correctional facilities across the country and 22 county jails in Michigan. For 16 years, Canteen has been providing these services to Newaygo and Saginaw County jails. Mr. Tiggleman testified that by saving \$1 per meal and by making a commission on prison store items, MDOC could potentially save \$60 million.

Testifying next was Michael Pinkert with MHM. Mr. Pinkhert testified that MHM specializes in state-wide, mental health care services in prison systems and large jails. By reducing drug costs, eliminating unnecessary staffing, resolving federal prisoner rights litigation, introducing nurse practitioners, and improving clinical outcomes, MHM was able to save other state correctional departments, such as Georgia and Pennsylvania, millions of dollars in mental health care costs.

Mark Nixon with MDI Healthcare testified that MDOC should transfer outside medical care to a private agency, such as MDI. According to Mr. Nixon, expenses that occur outside of MDOC make up 30 percent of the MDOC budget. Because states are not in the business of medical billing, Mr. Nixon testified that states often overpay and/or double pay outside medical invoices. Mr. Nixon testified that hiring a company to oversee these billing costs could save MDOC approximately \$27 million a year.

Mike Thomas, Saginaw County Prosecutor, testified that he believed the solution to saving money from the MDOC budget is to reject the Governor's plan of releasing prisoners, concluding that there are "no non-violent, low-risk" incarcerated felons. Instead, Mr. Thomas recommended closing three prisons and reassigning the least problematic prisoners among the remaining facilities.

In a brief response to all of the testimony, MDOC responded by indicating that it will review and evaluate all cost savings ideas. MDOC cautioned, however, that it was important to "compare apples to apples" in order to get fair and accurate assessments.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

After a review of all written and oral testimony provided from both hearings, and after conducting extensive research, the Subcommittee makes the following findings, conclusions, and recommendations regarding its charge: 1) protecting public safety, 2) addressing rising MDOC costs, and 3) ensuring that Michigan taxpayers are getting the most efficient use of their tax dollars.

A. PUBLIC SAFETY

1. Reject Governor's Plan to Release Felons.

The most important function of government is to protect the public safety. Despite the fact that Michigan has the 11th highest violent crime rate in the nation — higher than New York, California, Texas, and all of its neighboring Midwest states¹ — the Governor's plan is to prematurely release up to 6,000 more felons into Michigan communities.² In light of all of the information presented, the Subcommittee concludes that any decision to release convicted felons from the MDOC jurisdiction would be reckless and ill-advised.

The Subcommittee's foremost concern is that the Governor's proposed plan is predicated on a notion to parole and commute the sentences of three classes of felons, namely: "non-violent", medically fragile and aged offenders. However, it is evident to the Subcommittee that the "non-violent, low-risk" felon does not exist! Indeed, the Governor's decision to utilize such phrases reveals a deliberate intent to mislead and deceive. Most convicted felons in prison are habitual offenders or have pled down to a lesser offense despite having an extensive criminal history that includes violence. Since the Subcommittee has heard repeatedly that only 20 percent of the convicted felons are in prison while 80 percent are in community corrections programs or in jail, the members of the Subcommittee are convinced that the non-violent prisoner is a myth that should be dispelled. A non-violent offense for which an incarcerated felon is currently convicted, for example writing bad checks, is rarely the reason why that felon is actually incarcerated. Rather, it is his or her habitual status or history of violence that has necessitated incarceration. To then release felons with violent histories, who appear to be incarcerated for non-violent offenses, would place the public safety at extreme risk.

Additionally, the Subcommittee finds that the Governor's plan is fundamentally and fatally flawed as it neglects to address who is going to care for the medically fragile prisoner if released. Many convicted felons with medical needs who are released could end up in nursing homes, which are not equipped to handle or care for felons. Ironically, state law requires criminal background checks for nursing home employees,³ but there are no safeguards in place for nursing home residents who would have to live among criminal residents. Finally, there is no evidence that convicted felons, simply by

^{1.} U.S. Department of Justice, Bureau of Justice Statistics.

^{2.} Governor's Web site.

^{3.}MCL 333.20173a.

virtue of their age or infirmity, cease to pose a risk of harm. The Subcommittee members are opposed to subjecting the most vulnerable law-abiding residents of Michigan to such risk.

The Subcommittee recommends that these 6,000 prisoners not be prematurely released. The Subcommittee realizes that, with little effort, but with great consequences, the Governor could "open the doors" and release these convicted felons by paroling them or commuting their sentences. While the Governor may consider this a quick and easy fix, it is clearly not a well-thought-out, carefully considered plan. The Subcommittee has concluded that there are many sound solutions that would not only reduce costs but would, most importantly, protect the public safety.

2. Reduce Recidivism.

While the Subcommittee members realize that the decision is not theirs to make, they would strongly recommend that the Governor solve overcrowding issues and budgetary failures by addressing the root of the problem — recidivism — not by threatening the public's safety by releasing felons. The Subcommittee's findings show that, over time, prison overcrowding will not be cured by the Governor's release plan. According to MDOC statistics, parole failures and probation violators made up 62 percent of the 2006 prison intake population.⁴ Nearly one-half of all prisoners paroled in 1999 had already returned to prison by 2003. The Subcommittee found startling that MDOC admitted more than 5,400 new prisoners this past year. It is even more unsettling to find that almost double those numbers (approximately 9,000) were re-admitted as parole/probation violators within the same year.⁵

This alarming data suggests that the Governor has deliberately chosen to ignore the glaring fact that prison overcrowding is due to recidivism. The Subcommittee has concluded that the release of convicted felons will, therefore, exacerbate prison overcrowding not reduce it. This fact is attributable to the practice of charging repeat offenders as habitual offenders. Such convictions carry a higher minimum sentence.

If the Administration is truly concerned with overcrowding, a greater effort should be placed on those issues contributing to recidivism. The revolving door must be stopped. Releasing prisoners only to have one-half of them commit another offense and re-enter the prison system does not resolve issues that cause prisoners to re-offend. The root causes of recidivism, such as substance abuse, mental health issues, and lack of education and employment, need to be addressed.⁶ Programs that are known to work successfully, such as drug treatment courts, prisoner re-entry programs, and diversion programs, need to be improved and expanded.

- 3. Develop/Expand Programs as Alternatives to Incarceration.
- a. Michigan Prisoner Re-Entry Initiative (MPRI).

The MPRI was established with a purported goal. That goal has been expressed as a means

^{4.} See table attached.

^{5.} See table attached.

^{6.} MPRI Status Report, March 2007.

of reducing crime by implementing a seamless plan of services and supervision developed with each offender, from the time of prison entry to aftercare in the community. The Subcommittee has concluded that there is value in assisting parolees with entry back into the community. Therefore, the Subcommittee is willing to support attainment of MPRI's goal.

The March 2007 MPRI Status Report indicates positive results of the program with a 21 percent improvement in total returns to prison against the 1998 baseline. The Subcommittee recommends that as long as MPRI remains successful, it be expanded with continued funding to further develop the program.

b. Mental Health Treatment Courts.

Statistically, it is reported that more than one-half of all prison and jail inmates have a mental health problem.⁷ The Subcommittee's research has shown that some states have begun to utilize mental health courts to address offenders with mental health issues. Typically, a mental health court has a specialized docket for defendants with mental illnesses that provides the following:

- An opportunity to participate in court-supervised treatment.
- A court team composed of a judge, court personnel, and treatment providers who define terms of participation. Continued status assessments with individualized sanctions and incentives.
- Resolution of case upon successful completion of mandated treatment plan.

The Subcommittee concludes that, in some instances, the needs of the mentally ill are better addressed by functions of a mental health treatment court than by traditional incarceration. Therefore, the Subcommittee recommends further examination of mental health treatment courts as an alternative to traditional incarceration.

c. Drug Treatment Courts.

Research shows that drug courts achieve a reduction in recidivism and substance abuse among substance-abusing offenders. A primary objective is to increase the offenders' likelihood of successful rehabilitation through early, continuous, and intense judicially supervised treatment; mandatory periodic drug testing; and use of appropriate sanctions and other rehabilitation services. If an offender meets the requirements, he or she may be sentenced to drug court instead of being incarcerated. The Subcommittee recommends continued utilization and expansion of the drug court program as a viable alternative sanction to prison.

The Subcommittee further recommends expanding the use of drug courts to handle technical rule violations by parolees. For example, regardless of the conviction, a condition of every parole is to remain substance free. The Subcommittee finds that a contributing cause of failed parole, however, is substance use.⁸ Typically, a technical rule violator will get sentenced back to prison. In instances where a parolee fails parole because of substance use, the Subcommittee recommends that

^{7.} U.S. Department of Justice, Bureau of Justice Statistics.

^{8.} MPRI Status Report, March 2007.

MDOC examine drug treatment courts as an alternative to prison. By committing the offender to a drug treatment court, MDOC will not only be treating the offender's addiction, but will also be reducing contributing factors to recidivism, and helping to reduce prison overcrowding.

4. Support from Mental Health/Community Health Departments.

Unfortunately, the Governor's departments have neglected to provide many prisoners with the resources they need to make a smooth transition back into the community. Without these resources, certain parolees are destined for failure from the day they are released. When inmates who had been receiving mental health and psychiatric services in prison have a discontinuation of those services and/or psychotropic medication after discharge, psychiatric symptoms can recur. This can then lead to an immediate return to prison unless support services are in place. Currently, a prisoner must wait until discharge to arrange a visit with various state departments to determine if there is any state assistance that can be offered. A prisoner should not have to wait until release from prison to know whether support services, such as mental health treatment and Medicaid, will be available; these services should already be in place upon a prisoner's release.

The Subcommittee recommends that MDOC work with the Michigan Department of Community Health (DCH) to ensure that all prisoners who received mental health and psychiatric services while incarcerated have a successful transition into the community. Furthermore, the Department of Human Services (DHS) should coordinate with MDOC to ensure that inmates are receiving Medicaid and Medicare services, if they qualify, immediately upon their release. The Subcommittee also recommends that both DHS and DCH representatives meet with prisoners, prior to release, to assist soon-to-be-released prisoners with these services to ensure a smooth transition into the community. The Subcommittee finds that by providing a smooth transition back into society and having support services in place, there is less likelihood for a parolee to return to a life of crime.

Furthermore, the Subcommittee recommends that MDOC partner with DCH to establish guidelines for notifying DCH for possible diversion when an alleged criminal is suspected of having mental health issues. By diverting a mental health patient from prison, MDOC and DCH will help keep prison overcrowding under control. Additionally, judicial economy will be preserved by ensuring that the court system is used for serious offenders.

5. Explore Non-Profit, Faith-Based Programs.

Based upon its findings and conclusions, the Subcommittee recommends that MDOC examine non-profit, faith-based, or similar programs as tools to assist parolees with addressing issues contributing to recidivism. Any program proven to enhance an inmate's ability to better himself or herself should be pursued. These types of organizations, such as Hope Network, can provide re-entry programs, job placement services, job coaching, job site training, and mental health and substance abuse services. Other states using faith-based programs, such as New York, Illinois, and

California, have substantially reduced recidivism rates by relying on faith-based programs.⁹ The Subcommittee is convinced that the same success is possible in Michigan. MDOC needs to explore and evaluate opportunities that will help guide parolees into a positive direction after their release. The Subcommittee recommends that faith-based programming be incorporated into all post-release plans.

6. Increase Parole Oversight/Parole Bonds.

Clearly, there are numerous examples of how Michigan's parole system has failed. The Selepak tragedy was the result of the parole of someone who should have not been paroled. Despite the Selepak violent crime spree, the "crime-while-on-parole" problem is still rampant. Yet, the Governor wants to parole another 6,000 convicted felons.

The Subcommittee concludes that this can only lead to more violent crime sprees. Hours of testimony and numerous articles were provided to the Subcommittee members describing violent crimes by convicted felons out on parole. It is apparent that the current parole system is inefficient. To parole another 6,000 prisoners would necessarily make things drastically worse. The Subcommittee has concluded that the parole system must be improved in order to protect society and prevent these violent crimes.

Based upon its findings, the Subcommittee further recommends that guidelines for parole bonds be established to improve the failing parole system. For example, MDOC could require a parolee to post a cash or surety bond to ensure his or her future compliance with parole conditions. The parole board could then revoke both the parole and the bond upon the subsequent flight or failure of the parolee to appear.

7. Rule Out Sentencing Guideline Reform.

Because of its commitment to public safety, the Subcommittee does not recommend sentencing guideline reform. No evidence, facts, or data has been provided to support such a radical undertaking. In 1997, sentencing guidelines were established to ensure public safety. The statutory charge to the Sentencing Guideline Commission included developing guidelines that would "provide for the protection of the public" and "treat offenses against the person more severely than other offenses." The Subcommittee concludes that these goals are just as important in 2007 as they were in 1997. Budgetary problems and prison overcrowding do not negate the seriousness of an offense and are inappropriate justifications to reform sentencing guidelines. However, the Subcommittee recommends reviewing the possibility of modifying certain felony thresholds to more efficiently utilize judicial and correctional resources.

The Subcommittee found that seventy-six percent of convicted felons currently serving sentences are either in jail, on probation, or a combination of the two. Amending the sentencing

^{9.} A summary of faith-based program results in other states is attached. 10. MCL 769.33 (since repealed).

guidelines in favor of lighter sentences would not only place local communities and their residents more at risk, but it would unfairly shift the burden to the already overcrowded local county jails. The subcommittee has concluded that the answer to prison overcrowding is not to make sentences more lenient so that more criminals can be out on the streets committing crimes.

8. Enhance Offender Tracking Devices.

The Subcommittee has concluded that maintaining the safety of Michigan's communities is a paramount concern. The challenge of properly managing criminal populations is complex and expensive. To truly maintain community safety, comprehensive strategies that employ best practices from both public and private sources must be examined. The Subcommittee found that MDOC currently uses offender tracking programs, such as global positioning devices (GPS) or tethers for prisoners who have been placed in the community on parole or probation, freeing up prison beds for those offenders truly requiring incarceration. However, while MDOC uses a variety of tracking devices, the Subcommittee is not convinced that MDOC is using the most cost-effective, state-of-the-art technology. Once convicted felons are released in the community, it is vital for the public's safety that tracking devices work efficiently and accurately.

The National Center for Missing and Exploited Children reports that there are approximately 560,000 registered sex offenders in the United States. The Subcommittee found that while the number of convicted sex offenders in state prisons is increasing, most convicted offenders live in the community under probation or parole supervision and are required to register as sex offenders. Further, the Subcommittee found that as many as 100,000 convicted sex offenders are estimated to be "lost" in the system across the country, with law enforcement unable to find or track their whereabouts. In fact, one sex offender was recently arrested in Michigan for attempting to falsely assume the identity of an infant who died in 1972 so that he could move to Oregon without having to register as a sex offender.

The Subcommittee's research indicates that there are various cost-efficient GPS technologies and tracking systems not used by MDOC and that these will likely produce improved accuracy and more comprehensive surveillance. Accordingly, the Subcommittee recommends a further review of diversifying and expanding MDOC's offender tracking/GPS systems in order to better address issues of cost-effectiveness, accuracy, and liability and to seek advanced technology that improves efficiency.

B. RISING COSTS AND HEALTH CARE

1. Improve Efficiency.

The Subcommittee has found that Michigan's cost per-prisoner exceeds \$31,000 and that this is in large part due to excessive health care costs. Michigan's per-prisoner mental health care cost of \$1,660 is nearly eight times higher than Rhode Island's \$277 per prisoner cost. Even more incredibly, it is higher than California's \$1,513 per-prisoner cost. By comparison, Texas was only

at \$415 for mental health services, and our neighbor Minnesota was 60 percent less at \$662 per prisoner.¹¹ The Subcommittee has concluded that MDOC should be as cost-effective as other states and further concludes that MDOC is able to reduce its per-prisoner cost by at least 20 percent. No evidence was offered to contradict this Subcommittee's conclusion.

The Subcommittee has concluded that MDOC needs to be more cost-effective. It has been reported to the members of the Subcommittee that there are issues of waste, duplication, and mismanagement in many areas of MDOC's operations. Examples include, but are not limited to, numerous and unnecessary hospital and emergency room transports, often requiring two overtime workers; employee theft of supplies; excessive prisoner health care expenditures and outrageous pharmaceutical costs, over and above federal-mandated requirements; and too few infirmary beds. (If, for example, there were more infirmary beds or a sub-acute infirmary, millions of dollars could be saved.) An insufficient number of infirmary beds requires unnecessary and expensive inpatient hospital stays because a prisoner cannot be returned to a "regular" bed and increased custody costs (i.e., officers guarding the hospitalized prisoner at overtime rates).

Based upon its findings, the Subcommittee concluded that the issue of prescription drugs in prisons also has to be explored. The Subcommittee found that the company that currently coordinates medical benefits also owns the company that provides pharmacy management (neither of which are Michigan-based companies). The Subcommittee has concluded that a correctional vendor who supplies health services should not provide both health services and prescription drugs because this presents a potential conflict of interest which circumvents an effective checks and balances system. The Subcommittee recommends that MDOC seek a Michigan-based company to provide prescription drugs on a cost-plus basis.

2. Obtain Performance Audit.

The Subcommittee recommends that the Auditor General perform an audit for an analysis recommending ways to eliminate waste and improve overall operational cost-effectiveness. The Subcommittee recommends that the audit examine all areas where MDOC can save money and be more cost-efficient including, but not limited to, health care, food services, transportation, staffing, salary and benefits, utilities, physical plant operations, contracts, areas of waste, consolidation and duplication, privatization of services or facilities, or suggestions for revenue enhancement. The audit should be completed by October 1, 2007, (start of next fiscal year) with a copy of its audit report going to this Subcommittee.

3. Challenge Federal Health Care Mandates.

The Subcommittee finds that certain onerous financial obligations have been imposed on MDOC's day-to-day operations upon the compulsion of a federal court order. Contributing to increased health care costs is the fact that more inmates are coming to prison with untreated

medical conditions. Overall, 39 percent of female inmates and 36 percent of male inmates reported having a physical or mental impairment, 83 percent have a history of drug use, and over 53 percent are substance abusers.¹² The costs of sending Michigan's 51,000 inmates to hospitals and to medical specialists outside prison walls have soared, leaving MDOC unable to accurately predict annual expenditures. Corrections officials expect the bill for its specialty care and hospitalization to grow from \$58.8 million from when the Fiscal Year 2007 budget was enacted to nearly \$95 million by September 30, 2007, the end of the fiscal year.

In all, taxpayers will likely spend \$255 million this year to cover physical and mental health treatment and prescriptions for felons, while the state has enacted cuts to schools and local governments to deal with a deficit exceeding \$686 million.¹³

Despite the fact that health care is not a core function of corrections, the Subcommittee found, and is troubled, that the federal courts have required MDOC to provide convicted felons with a level of health care to which law abiding citizens are not entitled including dental, vision, pharmaceutical, and mental health treatment. More than \$355 million has been appropriated for operations and construction costs, and over \$4.1 million has been spent on attorney fees as a result of just one federal lawsuit. These mandated expenditures are the result of incessant court orders. Testimony presented to the Subcommittee is that MDOC will likely be ordered to pay up to \$15 million more by July 2007. The Subcommittee recommends that every effort be made to appeal these federal mandates and that Congressional hearings should be sought regarding judicial excess and abuse of discretion.

Clearly, in light of recent federal court orders of a particular judge, health care efficiencies are more difficult at some facilities than others. Despite these mandates, the Subcommittee concludes that MDOC must examine creative solutions without resorting to the release of 6,000 convicts. By way of illustration, the Subcommittee recommends reviewing the possibility of housing all infirm and medically fragile prisoners, currently housed at the Jackson prison, at the former Baldwin facility, which could then be privatized for cost-effectiveness. Further, the Subcommittee recommends that all prisoners should be required to use a percentage of their earnings for prescription co-pays as a means of offsetting some health care costs.

Further, health care costs could be reduced by restricting specific canteen purchases by offenders with medically diagnosed chronic illnesses (i.e., offenders with respiratory illnesses buying cigarettes).

Based upon the testimony received and research conducted, the Subcommittee finds that there are many cost-savings solutions not being fully pursued that could improve the efficiency of MDOC's operations. More proof can be expected from the performance audit.

^{12.} U.S. Department of Justice, Bureau of Justice Statistics.

^{13.} Senate Fiscal Agency (PA 331 of 2006; PA 3 of 2007; request made on March 20, 2007, for an additional \$23 million, see attached).

^{14.} A history of the federal lawsuit is attached.

4. Privatize Services.

a. Mental Health Care.

Pending the performance audit, the Subcommittee will reserve its conclusions on the total savings that can be realized by the privatization of services. However, the Subcommittee concludes, that based upon the evidence, privatization is essential, especially in the area of mental health care services. Mental health care is a primary cause of MDOC's rising health care costs, a specialty service that is difficult to manage, and a target for litigation. The Subcommittee acknowledges that it has been held by certain courts that inmates have a constitutional right to a certain level of health care. According to a September 2006 study by the U.S. Justice Department, more than one-half of all prison and jail inmates had a mental health issue, as compared to only 11 percent of the entire U.S. population.

The Subcommittee has found that a company providing mental health care services, such as MHM, can improve the quality of care, reduce costs, and eliminate litigation exposure. One instance of this finding pertained to the Pennsylvania Department of Corrections. Pennsylvania has a prison population slightly smaller than that of the MDOC. However, the Subcommittee found that \$1 million in reduced drug costs and the elimination of six temporary physicians, nurses, and one crisis unit occurred by engaging MHM. Also, MHM saved the Georgia Department of Corrections \$4 million annually in staff costs, reduced psychotropic drug costs, improved clinical outcomes, and resolved litigation. The Subcommittee recommends legislation that would allow MDOC to contract with third-party vendors for mental health services.

b. Food and Commissary Services.

The Subcommittee found that further savings will likely be realized by privatizing food and commissary services. While MDOC's \$2.50 per-day for food costs seems economical, Canteen Services testified that it can potentially save MDOC an additional \$60 million per year. This will be achieved by saving \$0.25 per-meal on food cost and an additional \$0.75 per-meal on labor, contractual services, supplies, and materials which will total \$54.7 million, annually. Canteen projects an additional \$6.5 million revenue from providing commissary services. MDOC suggested, however, that Canteen's calculations were not based on "apples-to-apples" comparison.

The Subcommittee nevertheless recommends that the audit analyze the facts and figures provided by MHM and Canteen to determine any and all cost savings and include this analysis in the audit, including subcontracting outside medical billing services similar to those provided by MDI Healthcare.

c. Transportation.

The Subcommittee found that transportation is a substantial cost for MDOC at a projected \$20.9 million for FY 2008.¹⁵ Privatizing transportation so that MDOC would have standardized

routes with a dedicated central staff will, it is suggested, save millions of dollars. A company such as TransCor America, LLC, the largest and most experienced prisoner transportation company in the country, can provide prisoner transportation at all security levels. TransCor handles high security moves, special needs medical transports, and mass moves, stressing cost savings of 30-40 percent off the cost of each interstate transport. The Subcommittee recommends that the performance audit include an analysis on privatizing transportation.

5. Expand Teleconferencing and Telemedicine Programs.

The Subcommittee concluded that the excessive costs of both transportation and health care are attributable to the fact that these are not central functions of the corrections department.

Through its research, the Subcommittee found that many states have saved hundreds of thousands of dollars in health care costs, security, and transportation by increasing the use of "telemedicine" and "teleconferencing" programs. Through telemedicine programs, specialty physicians at distant hospitals are able to safely and effectively consult with inmates via telephone rather than requiring an in-person meeting. Telemedicine provides for patient/doctor consultations including emergency psychiatric evaluations. At locations with electronic stethoscopes, doctors can listen to a patient's heart and lung functions.

Teleconferencing is another way to reduce operational costs while maintaining the integrity and security of MDOC. Videoconferencing technology enables criminal justice proceedings to be conducted including preliminary hearings, arraignments, parole hearings, and deportation hearings without transporting inmates from the secure confines of the prisons.

The Subcommittee recommends initiatives be undertaken to maximize telemedicine and teleconferencing uses. While MDOC has begun to use these technologies, the Subcommittee has concluded that more cost savings will be realized if these are used on a broader scale.

While video hearings are done in some instances, more often than not they are not used, mainly due to the fact that some courts do not have teleconferencing capabilities. Similarly, telemedicine could be used more if some DCH practitioners were less resistant to the concept. The Subcommittee recommends exploring ways to increase both telemedicine and teleconferencing programs in an effort to save transportation and overtime costs while simultaneously reducing security risks. The Subcommittee further recommends that MDOC collaborate with both the State Court Administrative Office and DCH in an effort to work together to achieve these goals.

C. ENSURING THE MOST EFFICENT USE OF TAX DOLLARS

1. Establish Guidelines Regarding Inter-Department Cooperation.

The Subcommittee, based on its hearings and extensive research, has concluded that there is more that can be done to ensure efficient use of taxpayer dollars. Immediately evident is the lack of communication between state departments, which can significantly contribute to the expanding costs of corrections. For example, many prisoners have little knowledge of their legal identity, heritage, or even where they were born. Without this information, it is virtually impossible for them to obtain a birth certificate. In order to address this issue, bi-partisan packages of bills (SBs 44-46) were compiled in an attempt to provide identification cards for prisoners to help them succeed in society upon release.

The Subcommittee has concluded that with more inter-department cooperation and sharing of resources, potential savings will be realized. The Subcommittee has found no valid reason for DCH to not visit prisoners who are parole-eligible and assist them with obtaining their personal identification information. Since DCH is in charge of vital records, it seems only appropriate and efficient that DCH would be in a position to work with MDOC. Inexplicably, this does not happen. When prisoners are released, most cannot even obtain a driver's license or state identification card because they do not have a birth certificate.

The Subcommittee has found an unacceptable lack of consolidation of state services. Michigan has a \$42 billion budget, and the state departments have not been able to figure out a way to obtain birth certificates for many prisoners. State departments need to collaborate to achieve efficiency and reduce costs. Many cities and private businesses have successfully utilized cross training of employees and partnerships successfully. Michigan's agencies need to adopt this type of policy. To that end, the Subcommittee concludes that the Governor should immediately issue an Executive Directive establishing guidelines and procedures regarding inter-department cooperation.

2. Expand Community Residential Placements for Programs.

The Subcommittee has concluded that MDOC could resolve many of the overcrowding issues by safely freeing up prison beds, which would drastically improve its budget problems. The Subcommittee recommends evaluating the possibility of reinstating Community Residential Programs (CRPs), in a limited capacity, as a way to release beds and more efficiently maximize prison space.

Currently, the Subcommittee found that CRPs, or half-way houses, provide structured settings where support, guidance, and supervision are given to selected, eligible prisoners nearing parole release. Prisoners placed in CRPs are either housed in a center with security coverage 24 hours a day, seven days a week, or they are placed on electronic monitoring in their home community. CRPs are being phased out as they are considered to be at odds with the principle of "truth-in-sentencing." While truth-in-sentencing requires a minimum sentence to be served, CRPs permit the final portion of a sentence to be served in the community.

Prisoners must be rigorously screened and meet stringent standards in order to be eligible for the CRPs program. They must be in minimum security prison and are disqualified if they are serving time for certain serious offenses or have a history of serious assaultive behavior or sex crimes or have serious mental health problems. Proponents cite the major advantages of CRPs are that prisoners are still under the jurisdiction and complete control of MDOC and that they are able to learn life skills that can be used upon release. While in a community program, offenders must find a job and hold it through regular attendance or must attend all classes if in training and be self supporting as soon as possible. Offenders are required to pay the cost of room and board if in a center or the cost of electronic monitoring if on a tether.

Unlike the traditional CRP (which is said to violate truth-in-sentencing laws as offenders have not served their minimum sentences), the Subcommittee recommends that CRPs be used for felons who are eligible for parole and, therefore, served their minimum sentence but have not yet been paroled by the Parole Board.¹⁷ This concept is consistent with truth-in-sentencing, as the prisoner would have served time until his or her earliest release date. The "new" CRP concept would help reduce prison overcrowding, as it frees up prison beds. This concept has the same obvious advantages as the traditional CRP in that the prisoner would still be under the jurisdiction of MDOC while beginning to learn to transition back into the community.

3. Expand Michigan State Industries.

Based upon extensive research, in order to further maximize taxpayer dollars, the Subcommittee has concluded that MDOC's Michigan State Industries (MSI) should be examined to consider expanding its program to one similar to Oregon's Prison Blues program. The Subcommittee found that, currently, MSI produces prison-made products such as uniforms, pajamas, license plates, shirts, socks, coveralls, sheets, and blankets. However, MSI may only sell its products and services to government entities and nonprofit (501(c) (3) organizations. MSI is self-supporting, with prisoners earning an hourly wage, usually starting at 25 cents per hour.

Prison Blues, as part of the Oregon Department of Corrections, is a prison-made clothier that produces and sells to the public high-quality blue jeans, denim jackets, and shirts. The Prison Blues program allows inmates to not only pay for their own incarceration costs but also to earn savings for their release and learn important work skills, ethics, and pride in producing a high-quality garment. Of Oregon's paroled inmates, only 33 percent re-offend, compared to a nationwide average of 46.8 percent. Recidivism rates have progressively decreased in Oregon over the past four years.¹⁹

The Subcommittee recommends that MSI evaluate expanding into other markets that produce products that do not compete with Michigan's industries and that are in high demand, such as the cut and sewn textile industry. The Subcommittee recommends that legislation be introduced to support MSI's expansion in these areas. Michigan taxpayers have always subsidized the full cost of incarceration, despite the fact that criminals are the ones who violate societal laws. A program similar to Oregon's Prison Blues program would enable inmates to contribute to their

^{17. 31} percent of the prison population is past the potential earliest release date: March 2007, MPPRI Status Report.

^{18.} MCL 800.326.

^{19.} www.prisonblues.com/411.php

own incarceration costs and diminish the burden on Michigan taxpayers. This would also help prepare inmates for their re-entry back into society by allowing them to learn to develop pride in their work and earn a small savings, which complements the goals of MPRI.

RECOMMENDATIONS THAT REQUIRE FURTHER EXPLORATION

A. PARTNERSHIPS WITH LOCAL MEDICAL SCHOOLS

Research has shown the Subcommittee that other states take different approaches to many of the same obstacles Michigan is experiencing. Because the Life Sciences corridor is growing and a new medical school in Grand Rapids is currently being constructed, the Subcommittee recommends exploring ways in which prisons can partner with this growing sector of our economy.

Since 1998, the University of Massachusetts Medical School, for example, has partnered with the private vendor of correctional health care to provide the Massachusetts Department of Corrections with mental health services and other health-related services. The prison health care system is managed by the University of Massachusetts Medical School through a program called UMass Correctional Health. This program is managed by primary care physicians and mid-level providers (nurse practitioners and physician assistants) as well as psychiatrists, social workers, and hundreds of nurses and other health care staff, including infectious disease specialists.

This type of partnership in Michigan would provide advantages for the Department of Corrections, Michigan taxpayers, and local medical schools. The medical schools would benefit by building their revenue base and providing hands-on practical experience for students. The Department of Corrections would benefit from receiving enhanced services at a discounted rate, which would ultimately benefit the taxpayers. Building upon Michigan's local medical schools' nationally recognized programs in primary care medical training, psychiatry programs, nursing leadership development, and innovative public service programming, the program could integrate the schools' fundamental educational and public service missions with the challenges of caring for incarcerated populations. The medical school partnership produces a "win-win" result for all involved, and accordingly, the Subcommittee recommends that partnerships with local medical schools, similar to the UMass model, be explored.

B. REGIONAL JAILS

In reviewing cost-savings options, the Subcommittee found that consolidation is an area that is overlooked and requires further review. Some states have successfully implemented the "regional jail" concept. In Virginia, for example, there are 18 regional jails, which are comprised of approximately 76 counties, cities, and towns that represent about 3.5 million citizens. The concept makes sense and is logical in terms of practicality and its economy of scale, operating

through the pooling of shared resources. The Subcommittee has concluded that the following questions would need to be addressed: How would they be funded? What would be the size of the jail/how many offenders? What are the key features of a regional jail? What are the costs?

The Subcommittee recommends that further consideration be given to the regional jail model either on a statewide basis or, alternatively, for a specific population, such as for offenders with mental health or chemical dependency disorders or the medically fragile. If used statewide it is conceivable that MDOC could be completely eliminated. Whether statewide or for a specific population, the contracting counties could form a "corrections commission" to oversee the administration of the regional jails. Standardized transportation runs and a shared record keeping system available to all participating jurisdictions could be implemented, and a cost-sharing formula would need to be established. The Subcommittee recommends that these concepts be further explored to determine feasibility, efficiency, and cost-savings.

C. LONG-TERM CARE FOR MEDICALLY FRAIL FELONS

The Subcommittee took note of the fact that as the baby boomer generation ages, long-term care facilities will continue to see their patient populations rise. Moreover, the demand for quality and safety standards will also increase. Michigan has made it a priority to protect vulnerable adults in long-term care facilities, requiring that all employees have criminal history checks and clean records.²⁰ However, the Subcommittee concluded that one of the flaws of the Governor's early release plan is that without a strategy for the medically fragile felons upon release from prison, they could likely end up in facilities which are not equipped to handle or care for felons. The concept of felons cohabitating with law abiding, aged, and infirm citizens without safeguards in place is unacceptable to the Subcommittee. It constitutes a breach of duty and public trust as these general population patients are away from their families and dependent on staff to care for and protect them.

However, if Michigan's Chief Executive Officer Governor Granholm knowingly elects to pardon or commute the sentences of a certain category of felons, the Subcommittee recommends exploring the option of state-operated long-term care facilities to house them. Safeguards that specifically address the needs of the reprieved felons could then be put in place. Such safeguards would include specialized security measures, transition programs, and counseling or therapy focused on issues relating to past incarceration or premature release. While taxpayer dollars, such as for Medicaid and Medicare, will likely still be needed to support this concept, significant savings would still be realized. For example, released prisoners would arguably not have a constitutional right to health care, and federal mandates should therefore not apply.

20. MCL 333.20173a.

CONCLUSION

The Subcommittee's findings, conclusions, and recommendations are based upon the testimony presented and extensive research. Several of the recommendations that were outlined expand current programs, while others examine entirely new ideas. The Subcommittee intends to make further recommendations after receiving the report of the performance audit. In making its findings, public safety was, and continues to be, the Subcommittee's foremost concern. Accordingly, the Subcommittee concludes that it would be a breach of duty and public trust to release 6,000 convicted felons into Michigan's communities. Rather, the Subcommittee focused on expanding and developing programs that reduce recidivism rates, are safe alternatives to incarceration, and support increased community protection. With regard to cost savings, the Subcommittee's recommendations focused on privatization, MDOC's outrageous health care expenses, and improving overall operational efficiencies. The Subcommittee's recommendations additionally concentrated on ways to ensure the most efficient use of taxpayer dollars.

The Subcommittee is convinced that there is more work to be done. In light of MDOC's population and financial issues, addressing MDOC's problems will require constant oversight and analysis. The Subcommittee has made recommendations that require further exploration and looks forward to the results of the Auditor General's performance audit to make further recommendations.

DEPARTMENT OF CORRECTIONS

PRISON AND CAMP INTAKE

Calendar <u>Year</u>	New Commitment	Probation <u>Violator</u>	Parole Violator New Sentence	Parole Technical Rule Violator	<u>Total</u>
1994	5,597	1,932	1,229	1,962	10,720
1995	5,073	2,617	812	1,936	10,438
1996	5,002	2,795	1,012	2,603	11,412
1997	5,081	3,149	1,276	2,676	12,182
1998	4,895	3,132	1,322	2,879	12,228
1999	4,329	3,135	1,242	3,192	11,898
2000	4,351	3,331	1,147	3,114	11,943
2001	4,882	3,485	1,176	3,248	12,791
2002	5,349	4,238	1,415	3,324	14,326
2003	4,929	3,707	1,619	2,205	12,460
2004	4,489	3,493	1,770	3,055	12,807
2005	4,870	3,480	1,864	2,864	13,078
2006	5,425	3,646	2,009	3,190	14,270

Source: Michigan Department of Corrections, Corrections Data Fact Sheets

Faith- and Community-Based Programs Researched-Based Models in Prisoner Re-Entry

State/Organization	Outcomes	Contact
California; Delancey Foundation	 Over 10,000 GEDs earned. 1,000 people have completed H. diplomas. Approximately 1,000 ex-offenders have left violent gangs. Ex-offenders built over 1,500 low-income housing units, and trained o 800 in the construction trade. 20 businesses created and run by ex offenders. 	eisenhowerfoundation. org
New York; Heritage Health and Housing	 In two years only 5% of program ex-offenders referred from state prison were re-incarcerated, Less than 10% of program ex-offenders referred from city jails were re-incarcerated. 	Website: www.heritagehousing. org
New York; Stay'n Out Program	 27% recidivism for participant males versus 41% who received no treatment. 18% recidivism for participant females versus 24% who receive no treatment. 	
Oregon; Better People Organization	 9% of ex-offenders were rearrested compared to the control group which had re-arrests rates 21%. Re-incarceration rates for that same time period were also less than half for program ex-offende as compared to the control group 	s of www.betterpeople.org
Illinois; St. Leonard's Ministries	 Less than 15% of ex-offenders r offended during placement at St Leonard's. Less than 20% of ex-offenders r offended up to three years past completion of the program. 	e- Phone: (312) 738-1414 i.

Prepared by: Hope Network



JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN OFFICE OF THE STATE BUDGET LANSING

ROBERT L. EMERSON DIRECTOR

March 20, 2007

The Honorable Ron Jelinek, Chair Senate Appropriations Committee Michigan State Senate State Capitol Lansing, Michigan 48901

The Honorable George Cushingberry, Chair House Appropriations Committee Michigan House of Representatives State Capitol Lansing, Michigan 48901

Dear Legislators:

Attached is a request for supplemental funding in fiscal year 2007 for the Department of Correction's hospital and specialty care services program. In the last several months, the department has experienced a significant spike in prisoner inpatient hospital days and outpatient referrals for specialty care services that is causing higher than anticipated costs.

In order to maintain prompt payment to the department's vendors, the State Budget Office will expedite the allotment schedule within the confines of the existing appropriation. Without the additional appropriations recommended in this letter, it is anticipated that this account will be fully expended in June 2007.

If you have any questions about this supplemental, please contact Nancy Duncan at 373-0870.

Sincerely.

Robert L. Emerson State Budget Director

Attachment

Michael Bishop, Senate Majority Leader cc: Andy Dillon, Speaker of the House Mark Schauer, Senate Minority Leader Craig DeRoche, House Minority Leader Senate Appropriations Committee House Appropriations Committee Senate Fiscal Agency

House Fiscal Agency

Barry Wickman, Corrections Mary Lannoye, Executive Office Tim Hughes, Executive Office Nancy W. Duncan, Deputy State Budget Director Michael J. Moody, Financial Management Internal State Budget Office

HADIX V CARUSO

1. CONSENT DECREE

In 1980, Everett Hadix and other prisoners at the State Prison of Southern Michigan Central Complex (SPSM-CC) filed suit against various State officials charged with the operation of SPSM-CC alleging unconstitutional conditions of their confinement. As a result of the suit, the parties entered into an extensive consent decree, which was approved by the District Court. This consent decree contained numerous mandates, including but not limiting to: Topic I, Sanitation, Safety & Health, and Topic II, Health Care, Medical Care and Mental Health Care. One of the most significant impacts of the consent decree was to recognize the planned construction of the Duane Waters Hospital (DWH), which was built to serve prisoners with serious medical needs and reduce the cost off-site services. As a result Jackson area prisons received an increase in the number of prisoners with serious illnesses.

2. FURTHER MANDATES: INCLUDING A MEDICAL MONITOR

In 1999, District Court Judge Richard Enslen conducted compliance hearings and determined that certain provisions in the consent decree had been satisfied and should be terminated. However, Judge Enslen determined that there were still constitutional violations regarding some of the health care provisions and required Defendants to remedy the issues. The trial court also kept open the temperature issue for the cell blocks. In May of 2002, Judge Enslen conducted another evidentiary hearing to assess Defendants' progress. Judge Enslen was not satisfied and ordered Defendants to comply with the instructions for remedy in Section XIII of its Findings (Order & Inj., Oct. 29, 2002). Among other things, Defendants were required to hire, at their own expense, a medical monitor.

3. COURT ORDERS CORRECTIVE PLAN WITH NUMEROUS MANDATES

In November of 2005, after several reports from the medical monitor and another hearing, Judge Enslen ordered Defendants to propose a corrective plan for court approval. Defendants timely filed the corrective plan and Judge Enslen approved the plan, with some modifications. The 2005 corrective plan required the Defendants to do the following:

- 1. Ensure regular physician rounds in segregation.
- 2. Conduct audits of the medical care for chronically-ill prisoners in segregation and other selected cases as part of the quality assurance process.
- 3. Establish a step-down infirmary at DWH for patients needing less than hospital care but were not ready to return to the cell blocks. This unit would provide 24-hour nursing and physician staffing.

- 4. Establish a Unitary Electronic Medical Record System including all laboratory studies, all medications, complete with a link between SERAPIS (an ambulatory electronic medical record system) and the pharmacy computer system, and an expansion of SERAPIS to include all clinical areas.
- 5. Automatically renew all chronic medications.
- **6.** Refine the job description of the Jackson Medical Director to include more active medical service provisions, dialysis, and oversight.
- 7. Request autopsies for all prisoner deaths.
- **8.** Ensure better communication, follow-up, and monitoring regarding Correctional Medical Services referrals for specialty care.
- 9. Conduct monthly staff meeting regarding the Dialysis Program.
- 10. Consider enhancing mortality review (assessment and medical review of all prisoner patient deaths) process through the use of outside professional reviewers.
- 11. Conduct monthly reports to track the timeliness of specialty consultations.
- 12. Increase staffing at Jackson prison facilities to cover new clinical responsibilities for the dialysis program and to serve prisoners in segregation. In December of 2006, Defendants were held in contempt for failing to meet this requirement and fined \$1 million if they failed to meet the requirements within 120 days of the contempt order plus \$10,000 per day after 120 days. (Defendants met the requirement.)
- 13. Hire an additional internist or nephrologists so that the total hours, together with the current nephrologists on staff, equal the hours of a full-time physician. Defendants hired an internist, but the total hours were short of 40 per week, so Defendants were held in contempt for failing to meet this requirement. (Defendants have since added 20 internist hours in dialysis and have purged the contempt.)

4. JUDGE ENSLEN EXPANDS REQUIREMENTS OF CORRECTIVE PLAN

In December of 2006, after yet another hearing, Judge Enslen issued an injunction modifying the 2005 plan, requiring:

- 1. Defendants to file a comprehensive staffing plan, which shall include a statement of Defendants' plans regarding strategies for recruiting and retaining staff;
- 2. Defendants to file a plan to address delays in specialty care by "devoting real resources to the problem additional transport officers, additional specialty providers and additional staff. . . . "; and
- 3. Defendants to establish an on-site Office of Independent Medical Monitor (OIMM) to assist prisoners with chronic and untreated serious medical illness to obtain prompt treatment of those conditions.

5. JUDGE ENSLEN REQUIRES TRANSFER PLAN

In February of 2007, after the state announced that it intended to close one of the Jackson prison facilities(JMF), Judge Enslen again modified the injunction. The injunction has prevented Defendants from any significant depopulation of JMF until after a November 2007 hearing and only then if Judge Enslen approves the health care conditions in all of the rest of Michigan's prison facilities including an analysis of the health care personnel, service, and current workload at each of those 42 prisons and camps. The terms of the modified injunction are set forth below:

- 1. Defendants shall timely file a transfer plan, which assesses capacity of the receiving institution to deliver sufficient care to both the transferred prisoners and the existing population of the receiving institution. The plan must provide specialty care for chronic care patients and dialysis patients, and ensure transportation to specialty care appointments. It must also specify the staffing available at the receiving institution and assess the current pre-transfer work load upon available staffing.
- 2. All prisoners must be screened ("a full review of the prisoners' full medical records, including any unfilled documents") by a Registered Nurse prior to transfer.
- 3. Certain categories of prisoners must receive a face-to-face transfer assessment by a Medical Service Provider (MSP) and a full review of medical records, including unfilled documents.
- 4. Defendants must amend their medical care "transfer grid" to ensure that prisoners are not transferred to facilities that are unable to provide for their medical needs.
- 5. Defendants must ensure that prisoners who receive radiation therapy or chemotherapy remain close to a therapy sight and that treatments are not delayed.
- 6. Prisoners must be permitted to retain glucometers and inhalers and must continue to receive the supplies necessary to continue to use the glucometers and inhalers.
- 7. Defendants must not transfer prisoners needing special housing unless they ensure that the prisoners housing needs will be met at the receiving facility.
- 8. Defendants shall ensure that the MSPs carrying out the face-to-face screenings shall select the receiving facilities based upon the amended transfer grid.
- 9. Defendants shall provide the OIMM with detailed information about prisoner transfers.
- 10. Defendants shall provide prisoner medical records upon OIMM request.
- 11. Defendants shall not transfer dialysis patients without written certification from OIMM that the transfer does not pose a significant threat to continued dialysis services.

6. PRESENT STATUS

Defendants filed an appeal of the trial court's March 6, 2007 Preliminary Injunction and requested a stay of the trial court's order preventing the de-population of JMF until after the trial court held a hearing in November 2007 on the Transfer Plan. That motion was filed in the US

Court of Appeals for the Sixth Circuit.

- 1. Meanwhile, on April 3, 2007, the trial court entered its Permanent Injunction requiring, in essence, that the Hadix cell blocks that remain open as of July 15, 2007 be air conditioned or that alternate arrangements be made so that any prisoner identified as at high risk for heat related illness be placed in an environment where < 90 Heat Index can be maintained.</p>
- 2. On April 27, 2007, the Sixth Circuit denied Defendants' Motion to Stay without prejudice. The Order denying the stay requires the trial court to rule on the Defendants' Transfer Plan by May 9, 2007. If the Defendants' Transfer Plan is approved, Defendants can still carry out the closure of JMF by July 1, 2007.